

Workplace Partnership and the Balance of Advantage: A Critical Case Analysis

John Geary
School of Business
University College Dublin

Aurora Trif
Dublin City University Business School

Forthcoming in *British Journal of Industrial Relations*

Abstract

Whether all parties to the employment relationship benefit from workplace partnership and with what consequences is one of the most persistent research questions in industrial relations scholarship. Three dominant theoretical frameworks are identified. They are the mutual gains, pessimistic and constrained mutuality perspectives. Using both quantitative and qualitative case study data, the paper queries the prevailing view that it is possible to categorise partnership outcomes as fitting neatly into one of these three theoretical perspectives. The paper investigates the critical role of employees' perception of the distribution of partnership gains for their orientation to their employer and union, and in regard to their support for a continuation of a partnership approach.

1. Introduction

In spite of the rich international literature on workplace partnership, there remains considerable debate as to who actually benefits from its adoption, and in what measure. Three broad scholarly perspectives have addressed this issue. The first, the so-called ‘mutual gains’ thesis, argues that all parties have the potential to benefit, perhaps even equally in favourable conditions (Cooke 1990; Kochan and Osterman 1994). The second, which we term the ‘pessimistic thesis’, claims that workers and trade unions do not, and are very unlikely to derive any gains (Godard 2004; Kelly 2004). The final perspective, the ‘constrained mutuality’ thesis, suggests that while employees may benefit, the balance of advantage in practice tends to be skewed towards the employer (Guest and Peccei 2001). The assumption with each of these perspectives is that it is possible to come to one ‘settled’ view as to who gains (and loses) from partnership.

In this paper, we challenge that central assumption. We argue that these three perspectives are not mutually exclusive when considered from the perspective of stakeholders, and that if the analysis is fine-grained enough to include both objective data and employee perspectives, then it is possible that the gains from partnership can be consistent with more than one of the theoretical perspectives. We demonstrate the argument through a detailed critical case study of a unique partnership, one that possessed many of the necessary preconditions for the creation and sharing of mutual gains identified in the literature.

Our approach differs from prior research in several ways. First, in measuring partnership gains, we draw a distinction between ‘bottom-line’ indicators (i.e. performance levels, wages and conditions of employment, levels of union influence, etc.) and employees’ perceptions of partnership gains and of their assessment of the manner in which they are distributed between management, employees and the union. In taking account of both measures, we believe, as Bélanger and Edwards (2007: 715) observe in their analysis of workplace compromise, that it is necessary to go beyond the notion of what constitutes a party’s *a priori* ‘interests’ and to include a subjective assessment of what is a ‘gain’, what is not; and in the context of the present paper, how any gains are perceived to be shared. Second, we look for variations amongst employee perceptions, distinguishing between three categories of employees, senior and junior managers and non managerial employees, using both surveys and interviews. Finally, we examine the consequences of employees’ perceptions of the effects of partnership for their orientations to the company, the trade union and to a continuation of a

partnership approach. This is an analysis that is necessary but rare in studies of partnership.

2. Literature review

In our review of the literature, we consider the following questions: who gains from partnership, how might the distribution of gains be accounted for, and what are the consequences of a skewed or shared distribution of the gains. We define workplace partnership as an approach to organisational governance and change which is designed explicitly to permit union representatives participate in organisational decision-making and which exists separate from collective bargaining arrangements.

The ‘mutual gains thesis’, as derived from Cooke (1990), is based on a rational choice theoretical approach whereby partnership is seen to increase the total ‘pie’ available to be distributed between management and employees than that which might otherwise be gained from the pursuit of an adversarial model. The circumstances under which gains might accrue to all stakeholders are seen to be specific and exacting. They include the establishment of partnership principles and practices at multiple levels within the organisation: at the ‘strategic level’ priority is accorded to business strategies which emphasize innovation and quality over cost based strategies; at the ‘functional human resource policy level’ employment stabilisation practices are called for as well as variable payment systems; and at the workplace level, teamworking, employee involvement and the creation of a trustful and co-operative workplace climate are thought important (Kochan and Osterman 1994). The commitment of top management and trade union leaders is considered also to be a necessary prerequisite (Eaton and Rubinstein 2006: 12) as is a high degree of trust between both parties (Guest and Peccei 2001; Oxenbridge and Brown 2002). The presence of different forms of employee participation, including direct and indirect, operating in tandem and in alignment at all or various levels within the organisation is also seen as being more likely to lead to positive outcomes for all parties. Outside the firm, a thriving economy and the presence of national social pacts are considered important. The former allows companies to expand, grow their profits and, in turn, to share the gains with employees (Oxenbridge and Brown 2002). The latter provides guidance and legitimacy for the exploration of workplace partnership arrangements (Roche 2007).

The mutual gains perspective attaches particular importance to measuring both extrinsic (‘bottom-line’) and intrinsic costs and benefits (see Cooke 1990: 35-40). Cooke emphasises the manner in which intrinsic benefits (improved communications, better relations between line management and

employees) may lead to ‘bottom-line’ gains such as fewer grievances, improved job security, or increased productivity. Kochan (2000), too, argues that partnership creates an opportunity for positive attitudinal changes amongst employees. Indeed Kochan’s starting point is that employees have grown disaffected with adversarial industrial relations. By seeking to champion cooperative modes of representation, unions are seen to benefit by maintaining the loyalty and engagement of their membership which, in turn, enhances their representative capacity.

Cooke’s (1990) research found that all parties achieved gains. Employees’ commitment to unions increased and unions were identified as having enhanced their capacity to resolve members’ problems. Employees gained in respect of increased job satisfaction, while employers benefited from a modest increase in organisations’ financial performance and in an improvement in relations between managers and employees; employees’ organisational commitment also increased. While there may be some doubts as to the reliability of the effects identified by Cooke – his sample of organisations was small (58 firms), and although he makes theoretical claims as to the consequences of partnership for managers, unions and employees, his empirical test is confined solely to data derived from management and union leaders – more recent in-depth case studies of advanced forms of partnership at Saturn and Kaiser Permanente in the US provide evidence that mutual gains are possible (Kochan *et al.* 2008; Rubinstein and Kochan 2001).

The ‘pessimistic thesis’ argues that workers and trade unions do not and are very unlikely to benefit from partnership. In an early critique, Kelly (1999) claimed unions were required to adopt a posture of ‘moderation’, to cede to employer demands, and employers were identified as failing to honour partnership agreements. In a later review study of 22 matched pairs of partnership and non-partnership companies, Kelly’s (2004) found that managers gained most from partnership. Although there was some evidence of employee gains, this was only in cases where unions were strong and where the firm was performing well. The results in terms of employment security, wage levels and influence in the company were found not to be favourable to employees and their unions (Kelly 2004: 281-3).

Other research, too, points to unions and employees being disadvantaged by partnership (e.g., Richardson *et al.* 2004; Upchurch *et al.* 2008). In financial services, Gall (2008: 152) found that partnership weakened unions and workers’ influence over the terms of employment, and that there

was “no evidence of a deep-seated and permanent endorsement of partnership in attitude (amongst members).”

The ‘constrained mutuality thesis’ challenges the optimism of the mutual gains perspective as well as the pessimism of the pessimistic perspective. It draws mainly from empirical research and argues that, while workers and unions stand to benefit from partnership, the gains, in general, accumulate in employers’ favour. Guest and Peccei’s (2001) study of 54 partnership companies in the UK found that employers were primarily concerned with increasing employees’ responsibilities and productivity and were less concerned with employees’ welfare or rights to participate in workplace decision-making. In examining employees’ views of the distribution of gains from partnership in Ireland, Roche (2009: 26) concluded that there was no “major asymmetry with respect to the balance of mutuality or advantage in partnership.”

Both Roche’s and Guest and Peccei’s research are revealing as to the manner in which partnership and associated HR practices influence organisational, employee and trade union outcomes. Both studies’ results are interpreted as confirming, in large part, the *absence* of a direct association. In Roche’s study, perceptions of union effectiveness and union commitment were influenced by a number of outcomes associated with partnership, such as, information provision and job satisfaction. In Guest and Peccei’s (2001: 231) research it is only when employees are engaged in terms of attitudes and behaviours that performance gains become apparent. The authors interpret the nature of these linkages as confirming that “positive organizational outcomes of interest to employers depend for their achievement upon the prior achievement of outcomes likely to be relevant to employees and their representatives.”

Guest and Peccei are clear on the implications of a skewed distribution of gains. They counsel that where the balance of advantage tilts too much in favour of employers, the desired-for changes in employee attitudes and behaviours are unlikely to materialise and, as a consequence, employers will forgo any potential beneficial performance outcomes. However, Osterman’s (1999) research in the US queries this position. Notwithstanding that Osterman is concerned with the more general implications of ‘high performance work systems’, he argues, in a context where employees are fully aware that the balance of power in the labour market rests increasingly with employers, they have come to accept practices and outcomes which skew the balance of advantage further in favour of

their employers. It may thus be conceivable that, *pace* Guest and Peccei, employers may benefit from increased performance levels from their employees even where the balance of advantage from partnership is skewed towards the company.

In summary, we make this final observation. The assumption in much of the literature is that it is possible to come to a ‘settled’ view on who gains from partnership. Some studies report that all stakeholders gain, while others find that there are few gains for employees and unions, and yet others find that the balance of mutuality is in employers’ favour. Most, but not all studies give emphasis to ‘bottom-line’ outcomes over subjective measures. In those instances where subjective indicators are taken account of, it is usually with the purpose of assessing their effects on organizational and union outcomes, so that ultimately the gains from partnership might be *objectively* measured and a verdict reached as to whether the final findings are in line with one or other of the three scholarly perspectives. But in large part, as Cooke (1990) has observed, the literature is silent with regard to how the parties might *weigh up* the balance of advantage between ‘bottom-line’ and intrinsic costs and benefits and, in turn, how any such assessment might vary between and within management, employees and union representatives. While there may be some measurement difficulties here, it is essentially a valuation problem: how do stakeholders compare and place value on different estimates of costs and benefits? If such questions are addressed, it opens the possibility that different parties may place different emphasis on different outcomes measures, which might then make it difficult to assess unequivocally which of the three scholarly perspectives provides the greatest theoretical purchase in explaining partnership outcomes.

3. Research design and approach

This paper draws on a case study of a large financial services company with workplaces located throughout Ireland. The company was highly profitable and had prospered greatly from the exponential growth of the Irish economy through the 1990s and early-mid 2000s. It had a large and well-resourced employee relations function. Its senior managers were well-versed in the academic and consultancy literature on employee and union participation in organisational decision-making. A large majority of the company’s employees, up to and including significant sections of senior management, were represented by the Irish Bank Officials’ Association (IBOA), the largest and most influential union in Ireland’s financial services industry.

In 2006, access was permitted to company management, workplace management, employees and union representatives, as well as to all relevant documentation and records. Access to professional union representatives was negotiated separately and here, too, complete access was granted. Intensive interviews were conducted with a variety of senior management personnel and union representatives in late 2006 and early 2007. This included four interviews with management with responsibility for industrial relations and HRM at company level, two regional HR managers, three workplace managers, two senior IBOA officials as well as two shop stewards. All had been involved at various stages in the design and implementation of partnership. One IBOA official and one senior manager had been centrally involved at all stages of the development, review and operation of partnership.

A postal survey of the company's retail staff was conducted in July 2007. In line with Guest and Peccei's (2001: 233) recommendation, the attitudes and behaviours of a range of managers and employees were examined. A proportionate probability stratified sampling procedure was used to survey the attitudes and views of 851 employees of whom 66 were categorised as senior managers, 213 as junior managers and the remaining 572 were non-managerial employees. Of those employees selected for interview, 462 responded to the request to complete the questionnaire, giving a total response rate of 54 per cent. The response rate varied across the three occupational groups: 79 per cent for senior management, 64 per cent for junior management and 48 per cent for non-managerial employees. To adjust for these differences in response rates, the response sample was weighted to restore the number of respondents to their correct respective proportions in the workforce. The weighted response sample is 670.

Finally, nine retail outlets were selected for close study to represent a broad representation of geographical spread and size. A third was located in large urban areas, another third in large provincial towns and the final third in medium-sized rural towns. Two of the outlets had 50 to 100 employees, five had 25 to 49 employees and the remaining two had fewer than 24 employees. In each outlet, the manager or assistant manager was interviewed along with the workplace union representative. At least one junior manager, one experienced employee and one recently recruited employee were interviewed. In all, 45 in-depth interviews were conducted. Each interview lasted between 35 and 45 minutes and was conducted by following a series of questions detailed in an aide-memoire. The authors also prepared a preliminary research report which was delivered in separate

presentations to management and senior union officials. Feedback was provided which in turn added to the data analysis.

4. The Context of Partnership in FinanceCo

In the 1970s and the 1980s industrial relations in the Irish financial services industry were at best ‘arm’s-length’ and, at worst, adversarial.¹ Negotiations took place at a sectoral level. Relations worsened in the mid to late 1980s and early 1990s with disputes over the introduction of new technologies, initiatives by management to reduce costs, and management employees opting out of union representation in favour of individual contracts of employment. Matters came to a head in 1992 when the IBOA entered into dispute with the main employers in pursuit of a pay claim on foot of past productivity gains and in regard to disagreement of the terms of proposed extended opening hours. Individual companies responded by reducing employees’ salaries and suspending staff. The IBOA escalated their industrial action to a full-scale national strike but, as it did, relations within the union became embittered as some members, particularly at management and senior employee grades, broke IBOA directives, passed pickets and continued to work. The dispute was resolved some four months later under the auspices of the Labour Court. In its aftermath, it was widely believed that the companies’ position had been strengthened (for the first time in the face of a national strike workplaces had remained open) and the IBOA had been weakened, but that the union remained a considerable force. Relations between the IBOA and FinanceCo remained embittered and tense for some considerable time after the strike.

Following a lengthy review of its employment relations strategy in the mid to late 1990s, FinanceCo decided to recast its relationship with the IBOA and develop a co-operative relationship. A small working group made up of senior representatives from the company and the union was formed to find a way forward. At the outset, the parties considered it imprudent to adopt the term partnership or to seek publicity for any such initiative against the recent proximity of a bitter dispute. As time moved on and as their efforts took shape, the architects and supporters of partnership took encouragement from the national social partners’ commitment to support workplace partnership as a mode of workplace governance.² When the partnership was formally launched in the early 2000s, both parties acknowledged that the principles identified within the framework agreement had been helpful in their efforts in developing a partnership approach.

The buoyant economic circumstances of the national economy and the financial outlook for the company were also thought to be propitious, affording the parties the space and relative calm to develop the contours of a new model of employment relations.

Management's rationale for adopting partnership was that it would, in a context of increasing market competition, help them to differentiate their product offerings and quality of service from other firms. It was also felt that the introduction of new technologies would be aided by working closely with staff and the union. The union, for its part, accepted that partnership "made good business sense" and was likely to improve the organisation's financial performance, but was firmly of the view that any such success would be shared with staff.

In initiating the partnership, management and union representatives agreed not to sign 'an agreement' but instead placed emphasis on a conception of partnership and set of principles to guide their relations. Both parties pledged to work together to ensure the future success of the organisation. To support the role of the IBOA in strategic decision-making, the union received guarantees of institutional security; employees were assured of good, secure employment; new grievance handling mechanisms would be developed; and financial participation was espoused. While the early emphasis was on developing relationships at a central level and giving focus to the importance of consultation and joint decision-making in respect of major change initiatives, it was agreed that partnership would accord local union representatives a say in jointly resolving employee relations issues at workplace level. A forum at workplace level was also established where employees could discuss matters of concern amongst themselves without the presence of a manager. They were then encouraged to bring any issues to the attention of management where they felt this was warranted. The 'agreement' thus envisaged partnership being multi-level and multi-stranded.

A new approach to handling workplace change with successive steps was also introduced. In the first stage, negotiations were to follow a problem-solving approach with extensive sharing of information. Where there was a failure to reach an agreement, the issue would be brought before a facilitator. If conciliation failed, the final stage of the process permitted the facilitator to make a final determination.

In the mid 2000s, management and union representatives decided to revitalise and extend the partnership. To distinguish this new phase from the initial phase, the terms ‘first- and ‘second-generation’ partnerships’ were adopted. The intention was to forge a ‘closer integration of business priorities and staff needs’, develop local level partnership and establish an enhanced joint communications strategy. Consideration was also given to the development of alternative dispute resolution mechanisms. The practice of addressing conflict in established adversarial settings was deemed to have embittered relations in the past and risked contaminating otherwise good relations that were seen to be developing under partnership.

The most significant initiative introduced under the aegis of partnership was a new employee appraisal scheme (EAS). The EAS was designed to integrate the management of employees’ performance, reward and careers below the rank of senior manager. It involved the introduction of a new performance management system (including performance related pay) and a re-definition of employees’ job roles and responsibilities. The IBOA insisted that employee participation in the EAS would be voluntary. The union also saw the EAS as a means by which they could enhance staff pay. The final agreement provided for: a 2.5 per cent pensionable increase across the board in staff salaries; a 15 per cent increase in the salary scales of junior staff; a salary scale increase of up to 7.5 per cent for managerial grades up to assistant manager; and the introduction of a new voluntary performance related pay system, with bonus payments ranging from 3.7 per cent to 7.2 per cent.

In summary, partnership at FinanceCo was born of a bitter industrial dispute. It took its shape from extensive joint deliberations; developed in a favourable, albeit increasingly competitive, commercial environment; and was consonant with national social partners’ efforts to develop new collaborative industrial relations practices. It is a case of a multi-level model of partnership wherein provision for union and employee involvement in decision-making and dispute resolution was developed at company, regional and workplace level.

5. Partnership outcomes and the distribution of gains

In order to address the question of who gained from partnership and in what measure, we focus first on ‘bottom-line’ gains. Second, we examine employees’ perceptions of the gains and how they were perceived to be distributed between the parties.

In interviews with senior management and union representatives, interviewees often distinguished between the benefits derived from the first and second-generation partnerships. With respect to the former, interviewees highlighted improvements staff-management relations, improvements in health and safety, and the resolution of individual grievances at a local level. However, partnership was widely seen as having been ‘top-heavy’ with little evidence of it having taken root at workplace level or having involved large numbers of employees. The IBOA, in particular, encountered charges that partnership was the preserve of an elite group. At regional level, while there was increased contact between union representatives and management, there was little evidence of consultation in respect of ‘strategic issues’. There was also confusion in respect of the remit of partnership and the manner in which partnership was to function in relation to other consultation fora.

With respect to the second-generation agreement, management pointed to a greater number of ‘bottom-line’ gains: partnership had become well established at the peak of the organisation and was used to handle the introduction of a number of initiatives, the most significant of which was the EAS; employees’ performance and outputs improved (this was attributed principally to the adoption of bonus payments and to an extension in service hours which were introduced under the aegis of partnership); employee retention improved, particularly of good employees occupying key positions; and there was greater employee flexibility.

Union leaders gave emphasis to the opportunity partnership afforded them to influence management decision-making, as well as to improvements in employees’ terms and conditions of employment. With respect to the former union representatives specifically highlighted that the EAS was introduced after extensive consultations and a workforce ballot. The latter included increases in pay, the introduction of a 35-hour working week, the introduction of family-friendly policies, no compulsory redundancies and a commitment not to close rural service outlets, at least for a three year period. Union membership also recovered to the level recorded prior to the 1992 strike.

An improvement in the climate of industrial relations was cited by both parties as a mutual gain. For management this was evidenced by employee and union acceptance of organisational and technological changes and the absence of any strike or work stoppage. This was perhaps the most significant and most often cited benefit for workplace management: “We didn’t have a single day of stoppage or embargo on any new product or service” (interview, April 2006). “The amount of

change introduced in recent years would have never been accomplished under adversarial relations. Every day, I know I will open” (interview, March 2008). Both parties also agreed that the new grievance procedure and the alternative dispute resolution system had led to fewer problems being escalated to company-level or being referred to external third parties.

Notwithstanding these gains, management and union leaders conceded that the reach of partnership was uneven across the company’s workplaces. In turn, employees’ awareness of partnership and its achievements was seen to vary a great deal. One union representative bemoaned that partnership was often identified by employees as an initiative which appeared divorced from employees’ daily work routines (IBOA official, January 2006). Management highlighted the “enormous resources” in terms of staff and time consumed by partnership. But yet they feared, as indeed did union officials, that some managers had little understanding or sympathy for partnership and were lukewarm in their support, primarily as it was perceived to diminish their ability to make decisions quickly.

Thus substantial gains accrued to all three stakeholders from partnership and they did so broadly in a manner consistent with the mutual gains thesis. In the next stage of our study we examine whether employees’ perceptions of the outcomes of partnership substantiate these first findings. In our survey, we began by looking at employees’ awareness of the presence of partnership arrangements. The findings confirm the observations of management and union officials. While 81 per cent of senior management indicated that they were familiar with of partnership, 38 per cent of junior managers and 63 per cent of non-managerial employees said they were not familiar. Attendance at meetings where employees were informed of partnership also varied considerably: 75 per cent of senior managers, 50 per cent of junior managers and 33 per cent of non-managerial employees indicated that they had attended such meetings. Young employees, particularly those employed after the launch of the second-generation partnership, had the lowest levels of awareness.

Perceived outcomes for FinanceCo. Drawing from the results of the employee survey, we turn first to examine how the company was perceived to have gained from partnership. The data indicate that employees demonstrated moderately high levels of commitment to the company (Appendix Table A1): large numbers reported they were proud to be working for FinanceCo, that they saw themselves as being loyal employees and that they were willing to work harder to help the company succeed. On other items, employees were more circumspect and expressed less commitment. The majority of

employees considered relations between workplace management and staff to be good or very good (Table 1a). Employees' trust and regard for line management was also high (Table 1b). On balance, then, these findings would confirm the view derived from in-depth interviews with senior management and union officers that the climate of employment relations in FinanceCo was good and, as they claimed, had improved as a consequence of partnership.

Table 1a and 1b here

We turn now to examine further whether these and other outcomes were attributable, in the view of survey respondents, to partnership. Nearly all the items examined were seen by a majority of respondents to have improved in the three years preceding our survey: employees reported that management had become more at ease with working with the union, employees had come to accept management decisions more readily, and employees were willing to work harder and were more prepared to help colleagues (Table 2). These represent significant gains for the organisation. The notable exception was employees' trust in senior management. In the literature, this is one of the most often cited gains from partnership, but in FinanceCo this was not the case. It seems clear, however, that employees had a high regard for their immediate managers, trusted them and that relations at this level were perceived to have improved in recent years.

Table 2 here

The results indicate that many respondents perceived partnership as having been a factor in bringing about these gains for the company, in particular, in regard to improving management union relations as well as management employee relations, in helping staff accept work decisions, and in improving the quality of customer service. We found that non-managerial employees and junior management were more likely to attribute positive effects to partnership than were senior management.

In the in-depth interviews conducted at workplace level we explored further how partnership might have had an effect on the outcomes reported above. In general, the same influences were cited, but, in particular, the EAS was seen to have had a direct and substantial influence. For management the principal benefits were that it had led to an increase in employees' performance as many strived to work harder to gain bonus payments, it helped address the behaviours of 'poor performers', and it

helped in the retention of good employees. Most considered it to have been fair and financially beneficial: “There are only upsides to it, especially for younger staff” (outlet manager, March 2008). “My salary increased by €3,360 in 2006”; “it gives people a chance to perform and progress in their career” (interviews with junior managers, May 2008). “It is a fair reflection of how people perform. It is an incentive for young people to work harder, to put themselves in front”; it “helps (us) to focus on the bottom-line”; “after tax it was worth me about €1,500. It’s alright; it’s not brilliant, but up to now there was nothing” (interviews with non-managerial employees, April 2008).

Perceived outcomes for employees. Employees reported high levels of satisfaction with their jobs: two-thirds were happy with their pay, over 70 per cent were happy with their working conditions, 78 per cent found their work interesting, 80 per cent had received training in the last three years and over 70 per cent believed that the new skills they had acquired—and which had been paid for by FinanceCo—would help them in getting a job with another employer. Many believed they had been given a greater say over decisions which affected their work.

Many employees held that these and other changes in their work could be attributed to partnership (Table 3), in particular: involvement in decision-making, sense of job security and job satisfaction. We were particularly interested to look at employees’ perception of their effort levels as this has been a key focus of critics of partnership. The vast bulk of employees—in all categories—recorded that the pressure under which they worked had increased and up to two thirds believed partnership had been an influence. In our in-depth interviews at workplace level a variety of influences were emphasised. Senior and junior managers pointed to the responsibilities they were under and the long hours they were required to work. In the employee survey, 71 per cent and 37 per cent of senior and junior managers respectively reported that they worked more than 41 hours per week. Non-managerial employees pointed to a shortage of staff at outlet level which placed a considerable strain on employees. Prior to the introduction of partnership, it was claimed, an outlet might not have opened if the full complement of staff was not at work. There was also pressure on staff to sell new financial products and to reach predefined targets. The EAS was a key influence in that it was seen to have led to a new aggressiveness in attempts to grow the business which in turn had led to competition and conflict amongst work colleagues. Interviewees spoke of the new ‘cut throat environment’, which had intensified as the wider economic climate deteriorated rendering it more difficult to meet targets. In sum, the pressures on employees were considerable and were seen to

have grown under partnership. While this finding adds weight to the pessimistic perspective, it should also be set alongside the finding that many employees were more willing to expend more effort in their work (Table 2) and to help out their colleagues (Table 3). Thus, while employees experienced intensification in effort and pressure levels as a consequence of changes introduced under partnership, many were willing to work hard out of a sense of personal responsibility to their work and a commitment to working with others.

Finally, in a few workplaces, employees were upset that they had been, as they saw it, pressurised by their regional managers to join the EAS. Union members, both in managerial and non-managerial positions, argued that the union and partnership had failed to address these concerns adequately. Critics claimed that while partnership was designed to address workplace problems, the mechanisms for alerting and informing union officials were ill-defined and inadequate. As a result, they often remained ignorant of workers' concerns.

Table 3 here.

Perceived outcomes for the union. At the outset, it is important to reiterate that, at 72%, union density was high in FinanceCo and that there had been no decline in recent years. Forty-four per cent of senior managers had also retained their union membership.

First, we measured union commitment amongst union members. The overall results reveal moderately high levels of union commitment (Appendix Table A2). When compared with the findings of Geary's (2008) study of union commitment in companies with partnership arrangements throughout Ireland, union members in FinanceCo were relatively well disposed towards the IBOA.

In attempting to assess the direct effects of partnership on unions we first asked union members 'how good has the IBOA been in representing your interests over the last three years?' The stated time period was designed to capture the period since the signing of the second-generation partnership agreement and the introduction of the EAS. While a small minority believed the union had either been 'very bad' or 'fairly bad' (13%), the majority (55%) saw the union as either being 'fairly good' or 'very good'.

The results in respect of union members' views of union efficacy, orientation to membership and union cohesiveness also lean in a positive direction suggesting that the union had performed reasonably well under partnership (Table 4). A little over half of respondents said that the union was doing a better job at representing workers' interests and partnership was seen by nearly all employees as either having had a great deal or some influence in this regard. A little over 40 per cent agreed that being a union member had become more important to them and here again partnership was seen to have been an important influence. Proponents of the pessimistic perspective often argue that partnership leads to internal strife and conflicts within unions. This would not seem to have occurred in FinanceCo. Only 13 per cent believed that tensions and conflicts within the IBOA had increased. The absence of internal strife was also confirmed in interviews with senior union officers and activists at workplace level.

Table 4 here

While these data might be said to confirm that the IBOA had achieved some gains under partnership, they do not provide a ringing endorsement. There remains some doubt in that substantial proportions believed the union was not doing a better job (44%) or that union membership had not become more important for members (58%). Given these generally positive but mixed results we explored in our workplace interviews why this might have been the case. We found that while employees were generally positive, there was a considerable spread of opinion. Most managers (senior and junior) believed that partnership had provided the IBOA with more power and greater input into the process of decision-making. In contrast, other interviewees believed the union, as well as members' role in the union, had been weakened by partnership. This view was openly stated by an outlet manager who remained a union member:

The IBOA's role has now been diminished; they are in cahoots with the company. The upshot of this is that our input into the IBOA is less looked for. Their power source is now derived from management. I don't feel I have a role in the IBOA anymore...Once the IBOA agree to something in partnership there's no chance for us to influence it. (Interview, March 2008)

Similarly, a junior manager reported that "partnership has diluted the performance of the IBOA who are now seen as a part of the company and are there to help implement decisions" (interview, May 2008). Many non-managerial employees conceded that they did not know a great deal about partnership (although they were very familiar with the EAS) and were reluctant to state

unequivocally whether partnership had or had not been of benefit to the IBOA; they could point to benefits, like those listed in Table 4, but they could also point to disadvantages.

Overall, while we found a mixture of views, the predominant view was that the IBOA had been an effective union; it had increased its influence over the company under partnership, and for many union members had increased in importance. But there were also reservations and doubts about the union's role. In sum, though, positive and non-committal views outweighed negative attitudes.

Which party was perceived to have gained most from partnership? There is a clear pattern to the results from our employee survey (Table 5a). Very few respondents believed that employees were the only or principal party to have gained. Thereafter respondents were divided in their views: half believed the gains were equally distributed, while the other half indicated that the company was the main beneficiary. There were some notable differences in the views expressed by the three different employee groups. Senior management were more likely to assert that the gains were equally shared (63%), while 31 per cent believed the company had benefited most. Junior managers were evenly divided. Non-managerial employees were more inclined to the view that the company was the primary beneficiary, although 42 per cent believed that the gains were equally distributed.

Table 5a and 5b here

As the EAS was the most significant initiative introduced under partnership, we enquired about the distribution of gains from its introduction (Table 5b). The vast bulk of respondents (92%) believed the EAS had benefited the company. Similarly, a large majority of employees (77%) agreed it had been beneficial for employees, although non-managerial workers were somewhat less certain in their views. Thus, it might be said that in comparison to the perceived distribution of gains from partnership, where there was a general view that the benefits were skewed in the company's favour, there was a clear perception that both the company and employees had gained from the EAS.

Which theoretical perspective best explains the distribution of gains from partnership at FinanceCo? Having addressed the question of who gains from partnership, and in what relative proportion, we consider now which of the three scholarly perspectives is best supported by the evidence presented. From the basis of the 'bottom-line' evidence a reasonable case might be made that all parties

benefited; each stakeholder was able to point to significant gains. So, too, with the attitudinal data; there were evident advantages identified by respondents in all three occupational cohorts. On the basis of these findings this case study might reasonably be cast in defence of the theoretical claims of the mutual gains perspective. But there is also evidence which points in another direction: many respondents both in the in-depth interviews at workplace level and in the employee survey believed the gains from partnership amassed in the company's favour. There were also significant disadvantages for employees, principally in the form of a more intensive workplace regime. Thus, it might also be fairly claimed that the constrained mutuality thesis or the pessimistic perspective better represents what occurred in FinanceCo.

But which of these interpretations is most compelling? It might be answered that they are all correct. There is no intended ambiguity in this claim. Our analysis of employees' views shows that employees were mixed in their views. In *weighing up* the balance of advantage, employees pointed to both benefits and costs, and assessments of overall outcomes varied between and within the different stakeholders. As such, the findings do not support one pre-defined partnership perspective. When viewed from the perspective of the various stakeholders the three theoretical perspectives are not seen as mutually exclusive. The case of FinanceCo is found to be more complex; the data defies a neat adherence to any of the three 'clean' theoretical perspectives and, as such, resists pigeonholing. We will return to the significance of this finding below.

How then might we account for variations in employees' perceptions of partnership outcomes? While the literature offers some clues, it is, as stated earlier, largely mute in examining this specific issue. We examine whether employees identified particular factors as being critical. One influence was prominent: that was the quality of line management. In interviews with senior management and union officials, and particularly with employees at workplace level, the influence of line management was expressed in various ways: "There was less trust in FinanceCo before the strike. There is more trust now. Employees are more likely to discuss issues with management now as they expect to be treated fairly due to the existence of partnership" (Regional HR manager, March 2006). "Partnership has filtered down to the workplace, but if the local manager is not committed, it does not work" (non-managerial employee, April 2008). "A lot depends on your local manager.... There is a very good working atmosphere since X became our manager. Previously, 80% of staff was afraid

to speak to the manager” (junior manager, May 2008). “Management are more open to resolve issues. It’s nice to have issues solved at local level” (non-managerial employee, June 2008).

The importance of relations with local management was confirmed in the employee survey results. Table 6 presents the results of a binary logistic regression model that examines the association between the perceived distribution of gains from partnership and employees’ relationship with their line manager. The latter is derived from the results reported in Table 1b. The model controls for a series of influences, including familiarity with partnership, occupational group (through the use of dummy variables, senior management is the reference category), union membership, gender, number of years employed, size of workplace and form of employment contract. For reasons of economy, not all results are reported here. While a number of factors are identified as having an effect – occupational group (consistent with the results from the bivariate analysis in Table 5a) and familiarity with partnership – the key influence was employees’ relationship with their line management: where employees reported that they had a good relationship with their immediate manager, they were more likely to report that the gains from partnership were equally distributed. This is a significant finding. It highlights that employees’ perception of the distribution of partnership gains is critically contingent on the quality of relations with line management.

What are the consequences of employees’ perceptions of partnership for their orientations to their employer, union and preferred form of employment relations? Prompted by Guest and Peccei’s (2001) argument, we consider whether employees are more likely to be positively disposed towards FinanceCo in circumstances where they believe the gains from partnership are shared, or rather might it be, as argued by Osterman (1999), that the perception of skewed outcomes will *not* necessarily prevent employees from remaining committed to their employer.

Table 7 here

Model 7.1 in Table 7 presents the results of a regression model that examines the association between the perceived distribution of gains from partnership and respondents’ commitment to FinanceCo. The former variable is derived from the results reported in Table 5a. The model controls for those same influences included in Table 6. The results indicate that a number of factors have a significant negative effect on employees’ commitment, including occupational group and union

membership, but the single greatest influence is the perception of the manner in which the gains from partnership are distributed: those employees who held that the gains were skewed towards the company were least committed to the organisation and, by corollary, those who believed the gains were equally distributed were more committed to the organisation. This finding is consistent with the arguments of Guest and Peccei (2001) and not with those of Osterman (1999).³ Familiarity with partnership would also seem to be important, and is consistent with the findings from other research (Roche and Geary 2006).

With respect to employees' orientation to the trade union we consider whether, as suggested by the mutual gains perspective, partnership will lead to higher union commitment levels and an endorsement of partnership, or rather will it be that partnership results in a loss of confidence in members' belief in their union's ability to represent their interests, with the effect of eroding members' commitment to their union and partnership, as claimed by the pessimistic thesis?

The data presented in Model 7.2 would seem to indicate that the IBOA has not been damaged—but neither would it seem to have benefited—in terms of workers' commitment, arising from how the gains from partnership were perceived to have been distributed. The result is non-significant and thus explains little of the variance in union commitment. The results in Table 8 indicate that there is no association between the manner in which the gains from partnership were perceived to have been distributed and employees' stated preference for a partnership or traditional collective bargaining approach. Neither had familiarity with the workings of partnership any noticeable effect. The only influence was that of occupational group. From this it might be read that, in comparison to senior management, non-managerial employees are less convinced of the merits of the IBOA continuing to pursue a partnership approach with the company. However, lest this result be confused with a union membership effect, it is clear that this was not the case, as union membership was found to exert no appreciable effect either way. Union members were thus divided over which approach is the better alternative.

Table 8 here

6. Summary and conclusion

We argue in this paper that it is possible that the results from partnership could be consistent with all three of the perspectives identified in the literature. Our study of partnership gains in a large Irish

financial services company which had developed a very advanced form of partnership reveals that all three “stakeholders” benefited. The company gained from a better climate of employment relations, increased employee flexibility, higher employee effort levels, and improved performance. Employees benefited from increases in pay, reductions in working hours (non-managerial employees), employment security, flexible working arrangements, and a greater say in workplace governance through their union representatives. The union gained from increased influence and institutional security. Its membership grew and its representative capacity improved. There were also disadvantages, costs and failings. For the company, partnership was an expensive and time-consuming affair which slowed decision-making. Employees’ effort levels increased as they were expected to achieve demanding performance targets. Senior and junior managers worked long hours and were under significant strain. The union was criticised, together with management, for having failed to diffuse partnership across the company. However, the predominant view was that partnership had been of substantial benefit and that, in the round, the gains for all parties outweighed the costs.

But which party gained most? Here we drew on employees’ perceptions. There was a striking variation in employees’ views both within and between the three identified occupational cohorts. Senior management were the most likely to record that, while there were benefits for the company, the gains were mostly in favour of the workforce. Junior management were evenly divided in their views and non-managerial employees were more inclined to the view that the benefits had been disproportionately acquired by the company.

What then can we make of these findings – the ‘bottom-line’ evidence and actors’ perceptions – in combination? While there is support for the mutual gains, pessimistic and constrained mutuality perspectives, we argue that the outcomes from partnership are varied and complex and, as such, refuse to submit to any one defined theoretical perspective. The picture of partnership at FinanceCo is one of a variegated portrait: there is no neat set of findings which would permit us to say without ambiguity that the outcomes support one of the three scholarly perspectives. Given these complexities, we submit that much of the debate surrounding partnership has been misguided given that, regardless of whichever perspective might be supported using ‘bottom-line’ outcome data, stakeholders’ assessments span all three. Thus, our study points to the importance of including an

evaluation of actors' subjective assessment and perceptions in addition to the usual bottom-line indicators.

Our study also highlights the importance of two additional questions which have not been considered to date. First, what are the consequences of variation in perceptions both within and between stakeholders; and second, what accounts for variation in perceptions of outcomes? The answer to the first question gets at a core issue in studies of partnership; that is, the critical role played by employees' adherence to a mutual gains, pessimistic or constrained mutuality perspective for their orientations to the company, union and preferred form of employment relations. Notwithstanding the conventional reservation regarding the interpretation of cause-and-effect relationships in cross-sectional data, it was found that the perception that the distribution of gains was skewed towards the employer had clear consequences for employees' commitment to their employer but had ambiguous implications for their union. The evidence is that employees had clear expectations of how partnership's gains should have been shared between the various stakeholders. As anticipated by Guest and Peccei (2001), where the gains were perceived to be appropriated disproportionately by the employer, employees' organisational commitment was undermined. On the other hand, the consequences for the union were less certain: the manner in which the gains from partnership were perceived to have been distributed had little if any discernible consequence for members' commitment to the union and for their preference for continuing with a partnership approach. A benign reading might suggest that union members understood, and were sympathetic observers of, the circumstances within which their union operated: where they saw that the gains had been unevenly distributed, they had not grown disenchanted with their union or of its adoption of a partnership approach. On the other hand, it might be read that, while employees—and union members—were not overtly critical of partnership and of the union's role therein, they remained divided and uncertain as to the union's strategy of pursuing a partnership approach. But whichever reading is more fitting, it is clear that one particular group of employees – those in non-managerial grades – were relatively less forgiving. Where they perceived gains from partnership to have been disproportionately acquired by management they were clear in their preferences: they wanted the union to revert to a traditional bargaining relationship.

Second, there is the issue of what accounts for variation in perceived outcomes. This study chose a case company which exhibited many of the features (strong union, top management and union

support, business strategies which emphasized customer service and quality, HR practices which included variable pay and employment security) – and was located within a wider context of support (buoyant economy and the existence of a national framework agreement endorsing workplace partnership) – thought well suited to create and sustain the distribution of mutual gains. The findings support the view that these conditions were important in creating a context within which partnership developed and led to substantially beneficial outcomes for all parties. However, it must be stressed that, while these conditions were favourable, they were not enough. As Bélanger and Edwards have commented, “it still takes *an effort* for co-operative relations to be generated” (2007: 720, our emphasis). We find that the role of line management and the quality of relations between manager and employee were key determinants of variation in perceived outcomes. Where employees perceived their immediate manager to be trustworthy, fair and considerate of their interests and point of view, they were more likely to judge that the gains from partnership were fairly distributed. Thus, while corporate management and union leaders had a shared commitment to partnership, the role of line management was critical in bringing to life the values and principles of partnership.

Our study prompts three questions for further research. Although our study involved the analysis of objective outcomes and employee perceptions, it is a study at one point in time. A longitudinal research design would permit an examination of how actors’ perceptions change over time, and could also help us understand the ways in which a sustained attempt to embed partnership is perceived to lead to changes in material outcomes and to changes in actors’ interpretations. A second and related question is how workplace partnership arrangements which developed in favourable contexts might withstand new challenges, particularly from changes in economic forces (such as the current economic shock we are experiencing). Third as indicated above, a great deal of the literature on partnership has highlighted a set of conditions which in combination create favourable or less favourable conditions for positive outcomes to arise from partnership. We have emphasised as have others that, even where circumstances are favourable, it still takes *an effort* for co-operation and material gains to be generated (as well as a perception of same). Our study highlighted the role of line management. Future research might examine how this influence and perhaps other sources of action might operate to shape the outcomes of partnership.

Acknowledgements

We are grateful to two referees and Sarosh Kuruvilla for their helpful suggestions in improving this paper. We thank Maeve Houlihan and Heidi Nicolaisen for their comments. We are grateful to FinanceCo management and employees and IBOA representatives for their participation in this study.

Notes

1. Gall (2008: 187) portrays employers' strategy in Ireland's financial services as having been close to 'forcible opposition' in contrast to the UK where employers tried to 'incorporate' union representatives and/or substitute staff associations for unions. This, Gall suggests, fostered a greater sense of unionateness amongst Irish employees than was evident in the UK. The IBOA can thus be seen to have entered into partnership with a more secure sense of its mobilisation capacity than perhaps might have unions in the UK.
2. *Partnership 2000*, the national-level tripartite social partnership agreement (1997 to 2000), contained a framework agreement intended to foster and promote the diffusion of workplace partnership. A variety of state agencies and supports were developed to aid companies which wished to introduce such arrangements.
3. Because the data are cross-sectional, however, the possibility that employees less committed to the company may have been critical of partnership from the outset and doubted that its gains could ever be equally shared cannot be ruled out; or perhaps that causation may also be reciprocal.

References

- Bélangier, J. and Edwards, P. (2007). The conditions promoting compromise in the workplace. *British Journal of Industrial Relations*, 45: 713-734.
- Cooke, W.N. (1990). *Labour-management Cooperation: New Partnerships or Going in Circles?* Kalamazoo, MI: Upjohn Institute for Employment Research.
- Eaton, A. E. and Rubinstein S.A. (2006). Tracking local unions involved in managerial decision-making. *Labor Studies Journal*, 31:1-29
- Gall, G. (2008). *Labour Unionism in the Financial Services Sector*. Farnham, Surrey: Ashgate
- Geary, J. (2008). Do unions benefit from working in partnership with employers? Evidence from Ireland. *Industrial Relations: A Journal of Economy and Society*, 47: 530-568.
- Godard, J. (2004). A critical assessment of the high-performance paradigm. *British Journal of Industrial Relations*, 42: 349-378.
- Guest, D. E. and Peccei, R. (2001). Partnership at work: mutuality and the balance of advantage.' *British Journal of Industrial Relations*, 39: 207-236.
- Kelly, J. (1999). Social partnership in Britain: good for profits, bad for jobs and unions. *Communist Review* 30: 3-10.
- Kelly, J. (2004). Social partnership agreements in Britain: labor cooperation and compliance. *Industrial Relations*, 43: 267-292.
- Kochan, T. (2000). Rebuilding the social contract: a call to action. Proceedings of the Fifty-Second Annual Meeting of the Industrial Relations Research Association. Champain, Ill.: Industrial Relations Association.

- Kochan, T. and Osterman, P. (1994). *Mutual Gains Enterprise: Forging a Winning Partnership Among Labor, Management, and Government*. Boston: Harvard Business Press.
- Kochan, T., Adler, P., McKersie, R., Eaton, A., Segal, P., and Gerhart, P. (2008). The potential and precariousness of partnership: the case of the Kaiser Permanente labor management partnership. *Industrial Relations: A Journal of Economy and Society*, 47: 36-65.
- Osterman, P. (1999). *Securing Prosperity*. Princeton: Princeton University Press.
- Oxenbridge, S. and W. Brown (2002). The two faces of partnership? An assessment of employer/trade union relationships. *Employee Relations*, 24: 262-276.
- Roche, W. and J. Geary (2006). *Partnership at Work-The Quest for Radical Organizational Change*, London: Routledge.
- Roche, W. (2007). Social partnership and workplace regimes in Ireland. *Industrial Relations Journal*, 38: 188-209.
- Roche, W. (2009). Who gains from workplace partnership? *International Journal of Human Resource Management*, 20: 1-33.
- Rubinstein, S. and Kochan T. (2001). *Learning from Saturn: Possibilities for Corporate Governance and Employee Relations*. Ithaca: Cornell University Press.
- Upchurch, M., Danford, A., Tailby, S. and Richardson, M. (2008). *The Realities of Partnership at Work*, Basingstoke: Palgrave Macmillan.

APPENDIX
TABLE A1
Organisational Commitment

An eight-item scale, each item scored: 1=strongly disagree to 5=strongly agree.
Items marked with an asterisk are reverse coded.

	Mean	S.D.
1. My values and FinanceCo's values are very similar	3.84	0.720
2. I feel very little loyalty to FinanceCo*	3.78	0.957
3. I am proud to be working for FinanceCo	3.55	0.858
4. I am willing to work harder than I have in order to help FinanceCo succeed	3.52	0.927
5. Often, I find it difficult to agree with FinanceCo's policies on important matters relating to its employees*	3.09	0.953
6. FinanceCo really inspire the very best in me in the way of job performance	3.03	0.934
7. I would turn down another job with more pay in order to stay with FinanceCo	2.60	1.121
8. I would take almost any job to keep working for FinanceCo	2.06	0.855

Cronbach Alpha = 0.79

Composite Scale Mean = 25.5, S.D. = 4.7

TABLE A2
Union Commitment

An eight item scale, each item scored 1=strongly disagree to 5=strongly agree.
Items marked with an asterisk are reverse coded.

	Mean	S.D.
1. It's every member's duty to support or help another worker with his or her grievances.	3.76	0.801
2. Every union member must be prepared to take the time and risk of lodging a grievance	3.73	0.808
3. There's a lot to be gained from joining the union	3.64	0.92
4. The record of my union is a good example of what dedicated people can get done	3.47	0.927
5. My values and the union's values are very similar	3.44	0.828
6. I feel a sense of pride at being part of the union	3.41	0.876
7. I could work just as well in another organization where there was no union, as long as the type of work was similar*	3.28	1.037
8. I am willing to put a great deal of effort in beyond that normally expected of me in order to make the union successful	2.93	0.836
9. My loyalty is to my work and <i>not</i> to my union*	2.89	0.911
10. If asked, I would serve on a committee for the union	2.57	1.065

Cronbach Alpha = 0.809

Composite Scale Mean = 33.1, S.D. = 5.48

TABLE 1a
The Climate of Staff-Management Relations at Workplace Level

<i>Broadly speaking, how would you describe the relationship between staff and management in your workplace?</i>	<i>Very good %</i>	<i>Good %</i>	<i>Neither good nor bad %</i>	<i>Bad %</i>	<i>Very Bad %</i>	<i>N (un-weighted)</i>
Non- managerial employees	18	53	21	7	1	273
Junior managers	22	68	7	3	1	137
Senior managers	42	46	6	4	2	50
Total	22	57	15	6	1	450

TABLE 1b
Employees' Assessment of their Relationship with their Manager

	<i>Strongly agree %</i>	<i>Agree %</i>	<i>Neither agree nor disagree %</i>	<i>Disagree %</i>	<i>Strongly disagree %</i>	<i>Mean¹ (S.D.)</i>	<i>N (unweighted)</i>
My manager treats me fairly	19	62	12	6	1	3.96 (0.80)	459
I trust my manager	17	55	16	10	1	3.81 (0.91)	458
My manager makes every effort to see my point of view	14	55	18	12	1	3.72 (0.91)	459
My manager looks after me and my interests	12	56	19	12	2	3.69 (0.91)	460

¹ Each item scored 1 = strongly disagree to 5 = strongly agree. Cronbach Alpha = 0.917. Composite Scale Mean = 15.2, S.D. = 3.16.

TABLE 2
Outcomes of Partnership of Benefit to FinanceCo

<i>Have any of the following changes taken place over the last three years (2004-2007)</i>	<i>If yes, to what extent can this change be attributed to partnership?</i>				<i>N (unweighted)</i>
	<i>Yes</i>	<i>A great deal %</i>	<i>To some extent %</i>	<i>Not at all %</i>	
Management at FinanceCo have become more at ease working with the IBOA	73	36	60	4	287
Relations between management and employees have improved	70	25	64	11	299
My trust in FinanceCo senior management has increased	38	18	62	20	162
I accept work decisions more readily	77	16	59	25	313
I have become more committed to FinanceCo as my employer	50	22	51	27	203
I am now more willing to put more effort into my work	62	23	45	32	247
The quality of my service to FinanceCo customers has improved	77	27	36	37	314

TABLE 3
Outcomes of Partnership of Benefit to Employees

<i>Have any of the following changes taken place over the last 3 years (2004-2007)</i>	<i>If yes, to what extent can this change be attributed to partnership?</i>				
	<i>Yes</i>	<i>A</i>	<i>To</i>	<i>Not</i>	<i>N</i>
	<i>%</i>	<i>great</i>	<i>some</i>	<i>at</i>	<i>(unweighted)</i>
	<i>%</i>	<i>deal</i>	<i>extent</i>	<i>all</i>	
		<i>%</i>	<i>%</i>	<i>%</i>	
Employees have been given a greater say in decisions which affect their work and employment	43	16	77	7	190
I feel my job with FinanceCo has become more secure	52	30	56	14	214
I have become more informed of the business circumstances of FinanceCo	86	17	67	6	355
I feel happier in my job	51	19	51	30	210
The level of influence that I have over the conduct of my day-to-day work has increased	55	15	50	35	228
The pressure I work under has increased	89	43	21	36	352
I have been more willing to help out my work colleagues	79	35	29	36	322

TABLE 4
Outcomes of Partnership of Benefit to Unions

<i>Have any of the following changes taken place over the last 3 years (2004-2007)</i>	<i>If yes, to what extent can this change be attributed to partnership?</i>				<i>N (unweighted)</i>
	<i>Yes</i> %	<i>A great deal</i> %	<i>To some Extent</i> %	<i>Not at All</i> %	
The IBOA is now doing a better job at representing workers' interests in FinanceCo	56	30	65	5	232
Being a trade union member has become more important for me	42	40	49	11	181
Tensions and conflicts within IBOA have increased	13	29	57	14	42

TABLE 5a
The Distribution of Gains from Partnership

	<i>FinanceCo is the only one to benefit</i>	<i>FinanceCo benefits most and there are few gains for employees</i>	<i>FinanceCo and employees benefit equally</i>	<i>Employees benefit most and there are few gains for FinanceCo.</i>	<i>Employees are the only ones to benefit</i>	<i>N (unweighted)</i>
	%	%	%	%	%	
Non- managerial employees	5	51	42	2	0	259
Junior managers	4	45	49	1	1	137
Senior managers	0	31	63	6	0	51
Total	4	47	47	2	0	447

TABLE 5b
Employee Appraisal Scheme: Perceived Outcomes

	<i>% Very or quite beneficial</i>			
	<i>Non- managerial employees</i>	<i>Junior Managers</i>	<i>Senior Managers</i>	<i>Total</i>
(i) How beneficial has the EAS been for employees?	68	88	93	77
(ii) How beneficial has the EAS been for FinanceCo?	89	93	92	92

TABLE 6
The Distribution Gains from Partnership: Logistic Regression Results

	Beta	S.E.
Familiarity with Partnership	0.319**	0.123
Non- managerial employees ¹	-1.118***	0.336
Junior Management ¹	-0.929***	0.273
Trade union members	-0.104	0.219
Relationship with line management	0.250***	0.034

$R^2=0.162$ (Cox and Snell), 0.216 (Nagelkerke). Model X (10) = 108.80***
N (weighted) = 615

Notes: **Statistically significant at the 0.05 level, *** at the 0.001 level. The dependent variable is the perceived distribution of gains from partnership recoded as an equal ('mutual gains') or unequal ('constrained mutuality') distribution. If the former is the case, the beta sign is positive, and is negative for the latter.

Control variables used in the model are detailed in the text.

¹ The reference category is senior management.

TABLE 7
Partnership, Constrained Mutuality and Employees' Commitment to FinanceCo and the IBOA: OLS Regression Results

	7.1 Firm Commitment		7.2 Union Commitment	
	Beta	t-value	Beta	t-value
Distribution of gains from partnership	-0.306	6.755***	-0.089	1.647
Familiarity with partnership	0.190	3.801***	0.244	4.139***
Non-managerial employees ¹	-0.195	2.262*	0.352	2.778*
Junior management ¹	-0.067	0.964	0.239	2.066*
Trade unions members	-0.123	2.613**	—	—
	Adjusted R ² = -0.222*** N (weighted) = 417		Adjusted R ² = -0.086*** N (weighted) = 331	

Notes: *Signifies statistically significant at the 0.05 level, **at the 0.01 level, and ***at the 0.001 level. The dependent variable in Model 7.1 is employees' commitment to the company and in Model 7.2 is union members' commitment to the union.

Control variables used in the models are detailed in the text.

¹ The reference category is senior management

² Model 7.2 is confined to union members

TABLE 8
Partnership, Constrained Mutuality and Employees' Preference for Future Union Role: Logistic Regression Results

	Beta	S.E.
Distribution of gains from partnership	0.172	0.176
Familiarity with partnership	-0.174	0.119
Non-managerial employees ¹	0.907*	0.403
Junior management ¹	0.692	0.373
Trade unions members	0.267	0.234

R²=0.043 (Cox and Snell), 0.057 (Nagelkerke). Model X² (9) = 24.94**.
N (weighted) = 573

Notes: The dependent variable is whether employees' would prefer the IBOA to adopt a partnership or a traditional collective bargaining approach in their dealings with FinanceCo. If it is the former, the beta sign is negative, and positive for the latter.

*Statistically significant at the 0.05 level.

Control variables used in the model are detailed in the text.

¹ The reference category is senior management.
